

Granger-Hunter Improvement District Water Impact Fee Analysis



GRANGER-HUNTER
IMPROVEMENT DISTRICT



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EXECUTIVE SUMMARY

Granger Hunter Improvement District (GHID) commissioned Zions Public Finance, Inc. (Zions) to calculate the District's impact fees in accordance with Utah State Law. An impact fee is a payment of money imposed upon new development activity to mitigate the impact of new development on public infrastructure. In conjunction with this project, Bowen Collins & Associates prepared the *Granger-Hunter Improvement District Water Impact Fee Facilities Plan* (IFFP) dated May 2022.

The recommended impact fee structure presented in this analysis has been prepared to satisfy the Impact Fees Act, Utah Code Ann. § 11-36a-101 et. seq., and represents the maximum impact fees that the District may assess. The District will be required to use revenue sources other than impact fees to fund any projects identified in the IFFP that constitute repair and replacement, cure any existing deficiencies, or increase the level of service for existing users.

Water System Overview

Level of Service – Equivalent Residential Connection

Level of service (LOS) defines the water demands that a typical residential user, expressed as an Equivalent Residential Connection (ERC), will require and should pay for through impact fees. Impact fee law prohibits the use of impact fees to increase the LOS above the current demands. At times, a water system may need to increase the LOS to cure an existing deficiency, but projects that fix deficiencies must be paid for through non-impact fee revenues and a credit must be provided to the impact fee payer in order to avoid double payment. In this analysis, a credit has been calculated to offset the portion of the future capital projects that will benefit existing users.

TABLE 1: LEVEL OF SERVICE

Criteria	Existing LOS	Proposed LOS
Production Yield-Average Day (gpd/ERC)	589.5	589.5
Production Capacity (gpd/ERC)	1,264.6	1,264.6
Storage (gallons/ERC)	583.8	583.8
Peak Hour demand Pressure (psi) / Percent of System that Meets the Standard	50/99.7%	50/100%
Minimum Available Fire flow at 20 psi during Peak Day demand (gpm) / Percent of System that Meets the Standard	1,500/99.5%	1,500/100%
Adequacy of Existing Facilities to Serve Customers	Sufficient	Sufficient

Source: GHID Water Impact Fee Facilities Plan, May 2022

A residential unit is equated to one ERC and non-residential properties are converted to the appropriate number of ERCs.

In 2021 the District served 46,142 ERCs and is anticipated to grow to approximately 49,053 ERCs by 2031, for an increase of 2,911 ERCs over the 10-year period.

Water Service Area

The Service Area covers the entire District for the purpose of calculating impact fees.

Existing Excess Capacity

The IFFP identifies existing excess capacity in the water well/production system. Acquired at an actual cost of \$10,235,367 the well/production system has an existing use of 68.58% with 17.87% of the capacity available for 10-year growth. The remaining 13.55% is available for growth beyond 10 years.

The IFFP identifies existing excess capacity in the water storage system. Acquired at an actual cost of \$2,358,700, the water storage system has an existing use of 88.78% with 3.95% of the capacity available for 10-year growth. The remaining 7.27% is available for growth beyond 10 years.

The IFFP identifies the percentage of existing excess capacity in the water transmission system. Acquired at an actual cost of \$44,949,671, the water transmission system has an existing use of 79.25% with 4.32% of the capacity available for 10-year growth. The remaining 16.44% is available for growth beyond 10 years.

The IFFP identifies the percentage of existing excess capacity in general assets. Acquired at an actual cost of \$10,066,654, general assets have an existing use of 76.73% with 4.84% of the capacity available for 10-year growth. The remaining 18.43% is available for growth beyond 10 years.

TABLE 2: EXISTING EXCESS CAPACITY

EXISTING CAPACITY	Well Production % Use	Storage Percent Use	Transmission Capacity Percent Use	General Assets Percent Use
Existing Use	68.58%	88.78%	79.25%	76.73%
Use by 10-Year Growth	17.87%	3.95%	4.32%	4.84%
Use by Growth Beyond 10 Years	13.55%	7.27%	16.44%	18.43%
TOTAL	100.00%	100.00%	100.00%	100.00%

Source: GHID Water Impact Fee Facilities Plan, May 2022

New Construction Costs

The IFFP identifies a total of \$36,480,000 in new construction costs within the next 10 years. There are several new capital projects including a new well and reservoir. The IFFP also notes construction projects in the amount of \$17,109,622 that are necessary to cure existing deficiencies and a total cost of \$8,470,969 for 10-year growth. Credits must be made for the cost of the projects that cure deficiencies so that new development does not pay twice.

Water Impact Fee Calculation

The maximum impact fee calculation is shown in the table below and results in a maximum fee of \$3,772.61 per ERC.

TABLE 3: PROPORTIONATE SHARE ANALYSIS

SUMMARY	
Existing Excess Capacity	\$1,537.87
New Construction	\$2,909.99
Consultant Costs	\$24.71

SUMMARY

Fund Balance	(\$269.08)
Credit - Future Projects	(\$168.72)
Credit - Outstanding Bonds	(\$262.15)
Maximum Fee Per ERC	\$3,772.61

Non-Standard Demand Adjustments

The District reserves the right under the Impact Fees Act (Utah Code Ann. § 11-36a-402(1)(c, d)) to assess an adjusted fee to respond to unusual circumstances and to ensure that the impact fees are assessed fairly. The impact fee ordinance should include a provision that permits adjustment of the fee for a development based upon studies and data submitted by the developer that indicate a more realistic and accurate impact upon the District's infrastructure.

CHAPTER 1: OVERVIEW OF THE WATER IMPACT FEES

Summary

An impact fee is intended to recover the District's costs of building excess water capacity from new residential or non-residential development rather than passing these growth-related costs on to existing users through rates.

The Utah Impact Fees Act allows only certain costs to be included in an impact fee so that only the fair cost of expansionary projects or existing unused capacity paid by the District is assessed through an impact fee. Eligible costs include future projects, historic costs of existing assets that still have capacity available to serve growth, future or outstanding debt related to these eligible projects, and certain professional expenses related to planning for growth. Project improvements that only serve a specific development or subdivision cannot be included. System improvements that cure a deficiency or enhance the LOS cannot be included without an appropriate credit.

The impact fee analysis provides documentation of a fair comparison, or rational nexus, between the impact fee charged to new development and the demands that new growth will have on the system.

Costs to be Included in the Impact Fee

The impact fees proposed in this analysis are calculated based upon:

- Buy-in to existing, excess capacity;
- New capital infrastructure that will serve new development; and
- Professional and planning expenses related to the construction of system improvements that will serve new development.

The costs that cannot be included in the impact fee are as follows:

- Projects that cure system deficiencies for existing users;
- Operations and maintenance costs;
- Costs of facilities funded by grants or other funds that the District does not have to repay;
- Interest costs related to outstanding or future bonds that have been issued to fund non-impact fee eligible projects such as repair and replacement and curing deficiency; and
- Costs of reconstruction of facilities that do not have capacity to serve new growth.

Utah Code Legal Requirements

Utah law requires that entities prepare an Impact Fee Analysis (IFA) before enacting an impact fee. Utah law also requires that entities give notice of their intent to prepare and adopt an IFA. This IFA follows all legal requirements as outlined below. The District has retained Zions Public Finance, Inc. (ZPFI) to prepare this Impact Fee Analysis in accordance with legal requirements.

Notice of Intent to Prepare Impact Fee Analysis

A local political subdivision must provide written notice of its intent to prepare an IFA before preparing the Plan (Utah Code §11-36a-503). This notice must be posted on the Utah Public Notice website.

Preparation of Impact Fee Analysis

Utah Code requires that each local political subdivision, before imposing an impact fee, prepare an impact fee analysis. (Utah Code 11-36a-304).

Section 11-36a-304 of the Utah Code outlines the requirements of an impact fee analysis:

- (1) An impact fee analysis shall:
 - (a) identify the anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity;
 - (b) identify the anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility;
 - (c) demonstrate how the anticipated impacts described in subsections (1)(a) and (b) are reasonably related to the anticipated development activity;
 - (d) estimate the proportionate share of:
 - (i) the costs for existing capacity that will be recouped; and
 - (ii) the costs of impacts on system improvements that are reasonably related to the new development activity; and
 - (e) identify how the impact fee was calculated.
- (2) In analyzing whether or not the proportionate share of the costs of public facilities are reasonably related to the new development activity, the local political subdivision or private entity, as the case may be, shall identify, if applicable:
 - (a) the cost of each existing public facility that has excess capacity to serve the anticipated development resulting from the new development activity;
 - (b) the cost of system improvements for each public facility;
 - (c) other than impact fees, the manner of financing for each public facility, such as user charges, special assessments, bonded indebtedness, general taxes, or federal grants;
 - (d) the relative extent to which development activity will contribute to financing the excess capacity of and system improvements for each existing public facility, by such means as user charges, special assessments, or payment from the proceeds of general taxes;
 - (e) the relative extent to which development activity will contribute to the cost of existing public facilities and system improvements in the future;
 - (f) the extent to which the development activity is entitled to a credit against impact fees because the development activity will dedicate system improvements or public facilities that will offset the demand for system improvements, inside or outside the proposed development;

- (g) extraordinary costs, if any, in servicing the newly-developed properties; and
- (h) the time-price differential inherent in fair comparisons of amounts paid at different times.

Certification of Impact Fee Analysis

Utah Code states that an Impact Fee Analysis shall include a written certification from the person or entity that prepares the Impact Fee Analysis. This certification is included at the conclusion of this analysis.

CHAPTER 2: IMPACT FROM GROWTH UPON THE DISTRICT'S FACILITIES AND LEVEL OF SERVICE

Utah Code 11-36a-304(1)(a)

Service Area

The service area includes all areas within the District boundaries.

Water Demands

The table below shows Equivalent Residential Connection (ERC) growth projections.

TABLE 4: GROWTH IN DEMAND

Year	ERCs
2021	46,142
2022	46,425
2023	46,710
2024	46,997
2025	47,285
2026	47,575
2027	47,867
2028	48,161
2029	48,456
2030	48,754
2031	49,053

Existing and Proposed LOS Analysis

Level of service defines how much of the water system a typical residential user, defined as an ERC, will require and can fairly fund through impact fee revenue. LOS is based upon historic observed water demands per ERC. Impact fee law prohibits the use of impact fees to increase the LOS above the current demands. At times, a water system may need to increase a LOS to cure an existing deficiency, but projects that fix deficiencies must be paid for by non-impact fee revenues and a credit must be provided to the impact fee payer in order to avoid double payment. In this analysis, a credit has been calculated to offset the portion of the future capital projects which will benefit existing users.

TABLE 5: SERVICE LEVELS

Criteria	Existing LOS	Proposed LOS
Production Yield-Average Day (gpd/ERC)	589.5	589.5
Production Capacity (gpd/ERC)	1,264.6	1,264.6
Storage (gallons/ERC)	583.8	583.8
Peak Hour demand Pressure (psi) / Percent of System that Meets the Standard	50/99.7%	50/100%
Minimum Available Fire flow at 20 psi during Peak Day demand (gpm) / Percent of System that Meets the Standard	1,500/99.5%	1,500/100%
Adequacy of Existing Facilities to Serve Customers	Sufficient	Sufficient

Source: GHID Water Impact Fee Facilities Plan, May 2022

CHAPTER 3: IMPACT ON CAPACITY FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(b)(c)

Excess Capacity

The District has the right to increase the established LOS in the future by constructing facilities that will provide greater capacity per ERC, but such LOS increases cannot be funded through impact fees. If the proposed LOS is higher than the existing LOS, then a deficiency exists and will be cured through sources of funding other than impact fees. Many of the future projects identified in the IFFP will serve existing residents, as well as new development which means a credit has been included in the impact fee calculation to offset the cost of constructing infrastructure that cures deficiencies for existing users.

With growth of 2,911 ERCs over the next 10 years (2021-2031), new growth represents 17.87 percent of the total capacity of the existing well production. This means that new development between 2021 and 2031 is responsible for 17.87 percent of the costs of the existing well production, or \$1,829,060.

TABLE 6: EXCESS CAPACITY-WELL PRODUCTION

Well Production	
Existing Capacity Cost - Well Production	\$10,235,367
Percent to 10-Yr Growth	17.87%
Well Production Cost to 10-Yr Growth	\$1,829,060

New growth represents 3.95 percent of the total capacity of the existing storage system. This means that new development between 2021 and 2031 is responsible for 3.95 percent of the cost of the existing storage system, or \$93,169.

TABLE 7: EXCESS CAPACITY-STORAGE

Storage	
Existing Capacity Cost - Storage	\$2,358,700
Percent to 10-Yr Growth	3.95%
Storage Cost to 10-Yr Growth	\$93,169

New growth represents 4.32 percent of the total capacity of the existing transmission system. This means that new development between 2021 and 2031 is responsible for 4.32 percent of the cost of the existing transmission system, or \$1,941,826.

TABLE 8: EXCESS CAPACITY-TRANSMISSION

Transmission	
Existing Capacity Cost - Transmission	\$44,949,671
Percent to 10-Yr Growth	4.32%
Transmission Cost to 10-Yr Growth	\$1,941,826

The District also has general assets with excess capacity to serve new growth. The IFFP shows that 4.84% of the existing general assets will benefit 10-year growth at a cost of \$487,226.

TABLE 9: EXCESS CAPACITY-GENERAL ASSETS

General Assets	
Existing Capacity Cost - General Assets	\$10,066,654
Percent to 10-Yr Growth	4.84%
General Asset Cost to 10-Yr Growth	\$487,226

CHAPTER 4: SYSTEM IMPROVEMENTS REQUIRED FROM DEVELOPMENT ACTIVITY

Utah Code 11-36a-304(1)(b)(c)

Future 10-Year Water Capital Projects

The District intends to build the following projects within the impact fee planning horizon to serve the demands of new growth.

TABLE 10: IMPACT-FEE ELIGIBLE CAPITAL PROJECTS – WELL PRODUCTION PROJECTS

Well Production Project	Project Description	Total Project Cost	Cost to Existing	Cost to Growth Beyond 10-Years	Impact Fee Cost to 10-Year Growth
S1	Iron/Manganese Removal Facility (w/1 & 17)	\$11,000,000	\$7,544,268	\$1,490,237	\$1,965,495
S2	Iron/Manganese Removal Facility	\$4,000,000	\$2,743,370	\$541,904	\$714,725
S3	Iron/Manganese Removal Facility	\$4,000,000	\$2,743,370	\$541,904	\$714,725
S4	Drill New Well	\$2,000,000	\$0	\$2,000,000	\$0
S5	Well House Construction	\$2,750,000	\$0	\$2,750,000	\$0
10-Year Impact Fee Eligible Cost:					\$3,394,945

TABLE 11: IMPACT-FEE ELIGIBLE CAPITAL PROJECTS – STORAGE PROJECTS

Storage Project	Project Description	Total Project Cost	Cost to Existing	Cost to Growth Beyond 10-Years	Impact Fee Cost to 10-Year Growth
ST1	New Reservoir Construction	\$9,350,000	\$4,078,613	\$3,417,265	\$1,854,121
10-Year Impact Fee Eligible Cost:					\$1,854,121

TABLE 12: IMPACT-FEE ELIGIBLE CAPITAL PROJECTS – TRANSMISSION SYSTEM PROJECTS

Transmission System Projects	Project Description	Total Project Cost	Cost to Existing	Cost to Growth Beyond 10-Years	Impact Fee Cost to 10-Year Growth
P1	Parkway Blvd./Bangerter Hwy	\$1,270,000	\$0	\$59,403	\$1,210,597
P2	3600 W/2400 S - Outside of Ridgeland PS	\$560,000	\$0	\$26,194	\$533,806
P3	3600 W/4400 S - Southeast portion of Zone 3E	\$30,000	\$0	\$1,403	\$28,597



Transmission System Projects	Project Description	Total Project Cost	Cost to Existing	Cost to Growth Beyond 10-Years	Impact Fee Cost to 10-Year Growth
P4	500 W/4700 S - JV #50	\$1,320,000	\$0	\$61,742	\$1,258,258
P5	4800 W / 4415 S - Tank Farm to Zone 2	\$200,000	\$0	\$9,355	\$190,645
10-Year Impact Fee Eligible Cost:					\$3,221,903

The IFFP shows a total of \$17,109,621 of the total \$36,480,000 new project costs benefitting existing users. The District has \$4.5M set aside to partially offset these costs. Credits against the gross impact fee must be calculated for the remaining \$12,609,621 future project costs that benefit existing users so that new development does not pay twice. The deficiency credit calculation is detailed later in this IFA.

CHAPTER 5: PROPORTIONATE SHARE ANALYSIS

The Impact Fees Act requires the Impact Fee Analysis to estimate the proportionate share of the future and historic cost of existing system improvements that benefit new growth that can be recouped through impact fees. The impact fee for existing assets must be based on the actual costs while the fees for construction of new facilities can be based on reasonable future costs of the system. This chapter will show that the proposed impact fee for system improvements is reasonably related to the impact on the water system from future development activity.

Maximum Legal Water Impact Fee per ERC

Existing Projects with Excess Capacity

Over the next 10 years, new development will consume 17.87 percent of well production capacity (\$1,829,060), 3.95 percent of storage (\$93,169), 4.32 percent (\$1,941,826) of transmission, and 4.84 percent (\$487,226) of general assets. With projected growth of 2,911 ERCs over the next 10 years, the cost per ERC is \$628.33 for buy-in to well production, \$32.01 for storage, \$667.06 for transmission, and \$0.27 for general assets.

TABLE 13: PROPORTIONATE SHARE ANALYSIS-EXCESS CAPACITY BUY-IN

BUY-IN TO EXISTING EXCESS CAPACITY	
Well Production	
Existing Capacity Cost - Well Production	\$10,235,367
Percent to 10-Yr Growth	17.87%
Well Production Cost to 10-Yr Growth	\$1,829,060
Well Production Cost per ERC	\$628.33
Storage	
Existing Capacity Cost - Storage	\$2,358,700
Percent to 10-Yr Growth	3.95%
Storage Cost to 10-Yr Growth	\$93,169
Storage Cost per ERC	\$32.01
Transmission	
Existing Capacity Cost - Transmission	\$44,949,671
Percent to 10-Yr Growth	4.32%
Transmission Cost to 10-Yr Growth	\$1,941,826
Transmission Cost per ERC	\$667.06
General Assets	
Existing Capacity Cost - General Assets	\$10,066,654
Percent to 10-Yr Growth	4.84%
General Asset Cost to 10-Yr Growth	\$487,226
General Asset Cost per ERC	\$0.27

New Construction

Table 14 summarizes the cost of future system improvements to be constructed within the next 10 years and what portion of these costs are attributable to 10-year growth.

TABLE 14: PROPORTIONATE SHARE ANALYSIS

Transmission Costs	Amount
New Improvements	\$3,380,000
10-Yr Growth Amount	\$3,221,903
Growth in ERCs, 2021-2031	2,911
Transmission Cost per ERC	\$1,106.80
Production Costs	Amount
New Improvements	\$23,750,000
10-Year Growth Amount	\$3,394,945
Growth in ERCs, 2021-2031	2,911
Production Cost per ERC	\$1,166.25
Storage Costs	Amount
New Improvements	\$9,350,000
10-Year Growth Amount	\$1,854,121
Growth in ERCs, 2021-2031	2,911
Storage Cost per ERC	\$636.94
TOTAL New Construction Costs per ERC	\$2,909.99

Consultant Fees

The Impact Fees Act allows for fees charged to include the reimbursement of engineering and consultant costs incurred in the preparation of the IFFP and IFA.

TABLE 15: PROPORTIONATE SHARE ANALYSIS – CONSULTANT FEES

Consultant Costs	Amount
Consultant Costs	\$71,921
Growth in ERCs, 2021-2031	2,911
Consultant Cost per ERC	\$24.71

Impact Fee Fund Balance

A credit needs to be made for unspent funds in the impact fees account that can be used to offset the costs of the future capital improvements. These funds were collected to meet the needs of new growth and development.

TABLE 16: PROPORTIONATE SHARE ANALYSIS – IMPACT FEE FUND BALANCE

Impact Fee Fund Balance	
Fund Balance	\$783,288.64 ¹
Growth in ERCs, 2021-2031	2,911
Fund Balance Credit per ERC	(\$269.08)

¹ Source: GHID

Credits Against Impact Fees

There are existing deficiencies of \$17,109,621 based on the LOS and the District has \$4.5M set aside to help fund these deficiency projects. New development cannot be expected to pay the full impact fees and then also contribute to this existing deficiency in the system through user rate revenues or other sources. Therefore, credits have been made for the portion of the projects that will be used to cure existing deficiencies. The table below shows these credits and the maximum fee that may be charged each year.

This analysis assumes that costs are spread equally over 20 years.

TABLE 17: DEFICIENCY CREDIT AMOUNT FOR NEW DEVELOPMENT

Year	ERCs	Cost per ERC	NPV* of Credits
2021	46,142		
2022	46,425	\$13.58	\$185.10
2023	46,710	\$13.50	\$177.07
2024	46,997	\$13.42	\$168.88
2025	47,285	\$13.33	\$160.53
2026	47,575	\$13.25	\$152.02
2027	47,867	\$13.17	\$143.32
2028	48,161	\$13.09	\$134.45
2029	48,456	\$13.01	\$125.40
2030	48,754	\$12.93	\$116.15
2031	49,053	\$12.85	\$106.70
2032	49,369	\$12.77	\$97.05
2033	49,688	\$12.69	\$87.19
2034	50,008	\$12.61	\$77.11
2035	50,330	\$12.53	\$66.82
2036	50,655	\$12.45	\$56.30
2037	50,982	\$12.37	\$45.54
2038	51,310	\$12.29	\$34.54
2039	51,641	\$12.21	\$23.29
2040	51,974	\$12.13	\$11.78

*NPV = net present value discounted at a rate of 3 percent

The District also has an outstanding bond which requires credits to be made for the portion of the bond payments that benefit existing users. Based on information provided by the engineers, approximately 74 percent of the bond payments benefit existing development.

TABLE 18: CREDIT FOR OUTSTANDING DEBT (SERIES 2019 BOND)

Year	2019 Bond % to Existing	ERCs	Cost per ERC	NPV
2022	\$733,588	46,425	\$15.80	\$289.91
2023	\$824,938	46,710	\$17.66	\$277.73

Year	2019 Bond % to Existing	ERCs	Cost per ERC	NPV
2024	\$898,058	46,997	\$19.11	\$263.54
2025	\$897,725	47,285	\$18.99	\$247.73
2026	\$898,021	47,575	\$18.88	\$231.84
2027	\$898,197	47,867	\$18.76	\$215.86
2028	\$898,252	48,161	\$18.65	\$199.79
2029	\$898,187	48,456	\$18.54	\$183.64
2030	\$898,003	48,754	\$18.42	\$167.40
2031	\$897,698	49,053	\$18.30	\$151.07
2032	\$898,012	49,369	\$18.19	\$134.66
2033	\$898,197	49,688	\$18.08	\$118.15
2034	\$898,252	50,008	\$17.96	\$101.55
2035	\$898,178	50,330	\$17.85	\$84.86
2036	\$897,975	50,655	\$17.73	\$68.08
2037	\$897,642	50,982	\$17.61	\$51.20
2038	\$897,919	51,310	\$17.50	\$34.23
2039	\$897,319	51,641	\$17.38	\$17.16

The sum of the average impact fee credit for deficiencies for 2022 through 2026, the bond credit, and the impact fee fund balance credit is \$699.95. Therefore, the maximum impact that can be charged per ERC is calculated by subtracting \$699.95 from the gross fee of \$4,472.56² to arrive at a **maximum fee of \$3,772.61 per ERC.**

Summary of Maximum Impact Fee

The maximum impact fee is shown in the table below.

TABLE 19: PROPORTIONATE SHARE ANALYSIS – GROSS FEE

SUMMARY	
Existing Excess Capacity	\$1,537.87
New Construction	\$2,909.99
Consultant Costs	\$24.71
Fund Balance	(\$269.08)
Credit - Future Projects Portion Benefitting Existing Users	(\$168.72)
Credit - Outstanding Bonds	(\$262.15)
TOTAL	\$3,772.61

²The gross fee is the sum of the existing excess capacity, new construction and consultant costs. It is the fee calculated before credits are made.

Non-Standard Demand Adjustments

The District reserves the right under the Impact Fees Act (Utah Code Ann. § 11-36a-402(1)(c, d)) to assess an adjusted fee to respond to unusual circumstances and to ensure that the impact fees are assessed fairly. The impact fee ordinance should include a provision that permits adjustment of the fee for a development based upon studies and data submitted by the developer that indicate a more realistic and accurate impact upon the District's infrastructure.

CERTIFICATION

In accordance with Utah Code Annotated, 11-36a-306(2), Zions Public Finance, Inc., makes the following certification:

Zions Public Finance, Inc. certifies that the attached impact fee analysis:

1. includes only the cost of public facilities that are:
 - a. allowed under the Impact Fees Act; and
 - b. actually incurred; or
 - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
 - a. costs of operation and maintenance of public facilities; or
 - b. cost for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
3. offset costs with grants or other alternate sources of payment; and
4. complies in each and every relevant respect with the Impact Fees Act.

ZIONS PUBLIC FINANCE, INC.